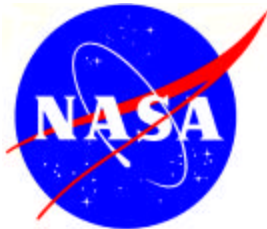**Office of the Chief Financial Officer**

Integrated Financial Management Program

Budget Formulation Rollout Approach

December 3, 2002

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SECTION 1   INTRODUCTION

1.1   BACKGROUND

The mission of Integrated Financial Management (IFM) Program is to improve the financial, physical, and human resources management processes throughout NASA. Under the auspices of the Office of the Chief Financial Officer (CFO), the IFM Program is reengineering NASA's business infrastructure and implementing enabling technology to provide better management information for decision making.

The Budget Formulation (BF) Module support for the budget process encompasses bottom-up formulation of institutional and program budget requirements. It also includes the ability to support top down decision making, link supporting data to the resources estimates, and redistribute top down decisions back through the bottom up formulation as a basis for operating plans and future budget formulation cycles. The new budget formulation capability produced by this project, in conjunction with the Core Financial module and the Business Warehouse, will support execution, advocacy, internal / external reporting, full cost budgeting and management, and will provide the information required to support real-time management decisions.

Goddard Space Flight Center (GSFC) has been tasked as the Lead Center for the IFM Program Budget Formulation Project and will support Agency Rollout by:

- Providing implementation guidance and project management templates
- Developing project implementation and change management tools
- Monitoring Center performance relative to resources and schedule commitments

1.2   OBJECTIVE

The objective of this document is to describe the implementation approach that will be adopted for the NASA IFM Program Budget Formulation Module Implementation.

The BF Project has tailored the Program standard implementation approach to accommodate a multi-phase implementation as opposed to the more typical Pilot Implementation Phase and other Receiving Center (RC) Rollout Phase. This multi-phase Agency implementation strategy is designed to implement applicable BF functionality in coordination with the stages and requirements of the Federal and NASA budget cycle.

The BF system will be implemented as Release 1, 1B, and 2. Each release will be made available to all Centers simultaneously. Centers will establish and control their internal assimilation rate and timeframe reflecting the Agency budget schedule as defined by Code B and the Enterprises, internal operational requirements and organizational considerations.

A further level of detail will be defined and made available in a forthcoming Budget Formulation Project Implementation Planning Guide.

1.3 GUIDING PRINCIPLES

The following are the guiding principles for the Budget Formulation Rollout:

- Minimize NASA's system implementation risks by adopting an integrated team approach that balances the related level of effort and complexity between the BF Project Office and Receiving Centers.

- Ensure a successful implementation of the Budget Formulation System at each NASA Center through active support and monitoring of Receiving Center implementation activities.

- Ensure that the system is aligned with and supportive of the budget planning processes through the involvement of the NASA resources community in the design of the system and, where appropriate, adapting NASA business processes to match the delivered SEM software.

- Enable Centers to customize their Center rollout within established Project parameters.

- Capitalize on lessons learned from previous IFMP module implementations; incorporating successful strategies and avoiding pitfalls.

- Implement SEM in multiple releases, coinciding with stages of the NASA budget cycle to ensure that the system functionality and training are available when needed.

1.4 PLANNING AND MANAGEMENT

The Budget Formulation Project Office is organizing and supporting the Receiving Center implementation of the Budget Formulation system in the context of NPG-7120.5A. This continues the progression of the 7120.5A management approach from the IFM Program Office, to the BF Project Office, and now to the Receiving Centers.

1.4.1 Receiving Center Project Plan

Each Receiving Center is to develop a Project Plan and submit that plan to the BF Project Office for review and approval. The plan provides a framework for defining project structure and processes, and securing management commitment to resources and schedule.

Most Centers have already developed Project Plans for the Core Finance and Travel Manager modules and will find that the majority of the plan material is common across each IFMP module project. The BF Project Plan will differ to the extent that there are project-specific elements.

1.4.2 Receiving Center Risk Management Plan

Each Receiving Center is to develop a Risk Management Plan and submit that plan to the BF Project Office for review and approval. The plan provides a framework for defining risk management processes. Each Receiving Center is to identify and manage Center risks associated with the Budget Formulation implementation. Each Center's initial set of risks is to be submitted to the BF Project Office for review. The BF Risk Management Plan, BF Project risks, and a generic set of Receiving Center risks are being provided.

Most Centers have already developed Risk Management Plans for the Core Finance and Travel Manager modules and will find that the majority of the plan material is common across each IFMP module project. The BF Risk Management Plan will differ to the extent that there are project-specific elements.

1.4.3 Receiving Center Schedule Management

Receiving Centers will lead the implementation activities at their Center, including schedule development and management. The BF Project Office is providing a preliminary set of implementation activities and key schedule dates. Each Center is to review the schedule, add planned start and end dates for those Receiving Center activities that do not currently have planned accomplishment dates, and submit the completed schedule to the BF Project Office for approval. Implementation activities and schedule are addressed further in Section 2 – Rollout Approach.

1.4.4   <u>**Receiving Center Management Reporting to the BF Project Office**</u>

Receiving Centers will prepare and electronically submit a project status review to the BF Project Office monthly. The project status review will address the following:

- Significant accomplishments
- Activities behind schedule
- Sixty day look ahead of upcoming Center implementation schedule activities
- Anticipated inhibiters to achieving upcoming activities as planned
- High risks and associated mitigation plans and actions
- Issues

A template to be used for the monthly status review will be provided.

1.4.5   <u>**Management Information Exchange**</u>

The BF Project Office will conduct monthly group information exchange meetings (telecon, ViTS, face-to-face) with BF implementation management from each Receiving Center. The purpose of these meetings will be to:

- Present BF Project status
- Identify any changes to implementation activities and schedule
- Present and discuss details of upcoming implementation activities
- Address Receiving Center issues or concerns

SECTION 2   ROLLOUT APPROACH

2.1   COMPONENTS OF ROLLOUT

2.1.1   Scope

The scope of the rollout is to implement the Budget Formulation System configured to support the Agency solution designed by the Center-staffed BF Process Team, Extended Teams, and Subject Matter Experts (SMEs). BF implementation and rollout supports full cost budget planning, but does not include Center training and transition to full cost management, as specified in the Agency Full Cost Implementation Guide.

2.2   PROPOSED ROLLOUT APPROACH

2.2.1   Assumptions

The following assumptions have been made for the purposes of planning the Budget Formulation Rollout:

- The Budget Formulation system will be delivered to each of the ten NASA Centers in two functional releases; Release 1 and 2. Release 1B is relevant to Headquarters only.

- Each release will be made available to all Centers simultaneously.

- Centers will determine the user groups to be trained and the timeframe for user training.

- The BF Project Office will provide implementation leadership and rollout support including project management and change management tools and templates, and train-the-trainer training.

- Centers will commit to providing sufficient project management, change management, IT, and training resources to ensure a successful rollout at their respective Centers.

- Budget submit dates will be established and controlled by Code B in consultation with the Enterprises, Centers and functional offices at the Agency level and budget planning deadlines internal to the Centers to meet the Agency schedule will be established by Center CFOs.

2.2.2 Release Dates

Three go-live dates have been established for the Budget Formulation system Implementation:

- 8/4/2003 – Release 1
- 10/7/2003 – Release 1B
- 2/18/2004 – Release 2

Figure 2.1 depicts the functionality associated with each release, relative to the NASA budget cycle and Core Finance wave rollout.

Figure 2-1: Budget Formulation Release Schedule and Functionality
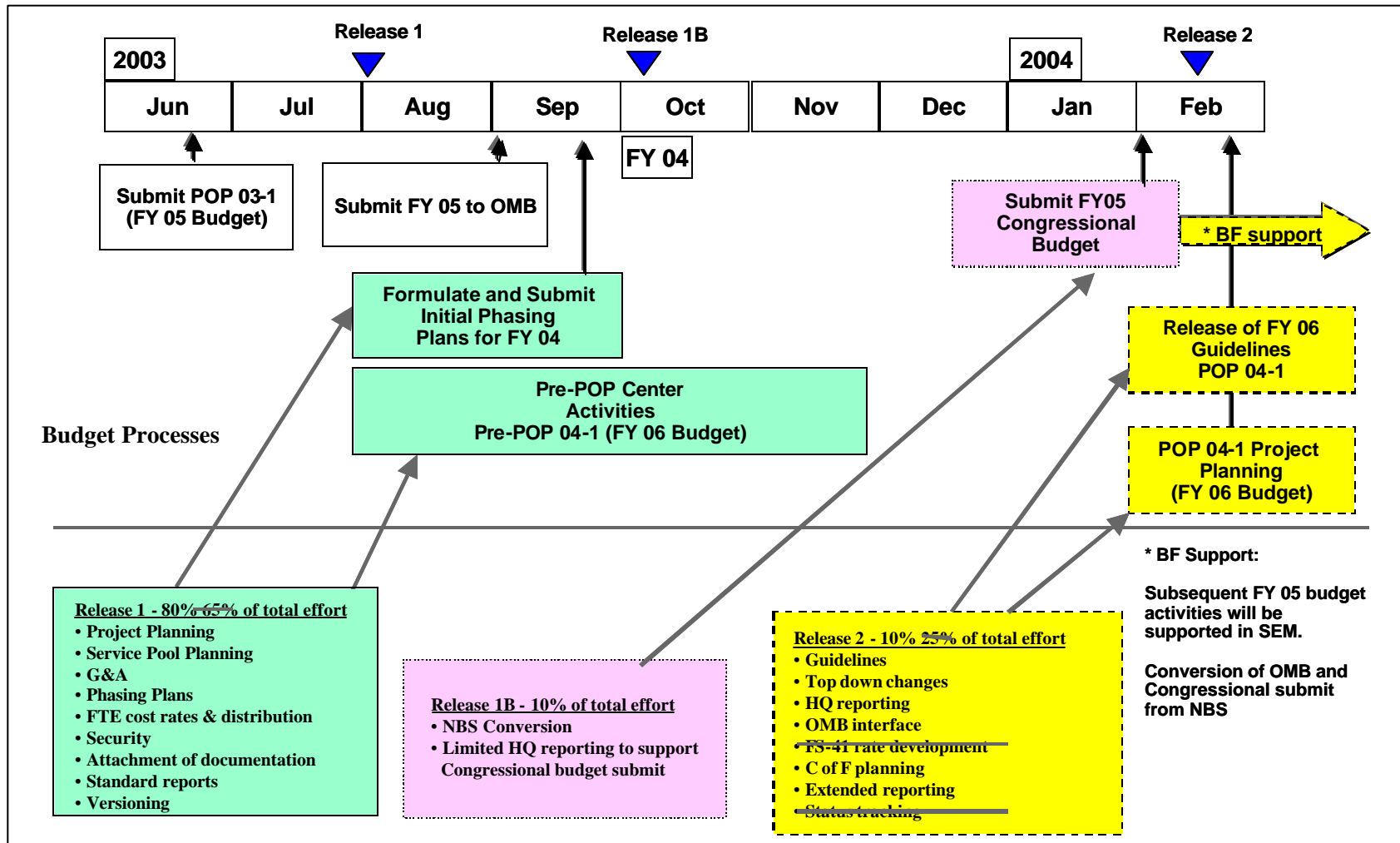
SECTION 3   ROLLOUT TASKS AND SCHEDULE

3.1   HIGH-LEVEL PROJECT SCHEDULE

The BF Project high level schedule and notional critical path are shown in Figure 3.1.

3.2   PROJECT MILESTONE CONTROL POINTS

A detailed project schedule was developed based on this high level schedule. The Project Office has identified and made management commitments to achieve a set of key milestone control points contained within the detail schedule (Figure 3.2). The Project will be judged by the IFM Program Office and IFMP Steering Council, in part, on its ability to achieve these milestone commitments. Thus, it is imperative that the Module Project and Receiving Centers work collectively to achieve these milestone dates.

Figure 3-1: Budget Formulation Project High Level Schedule

Figure 3-1: Budget Formulation Project High Level Schedule

Figure 3-2: Budget Formulation Project Milestone Control Points

Budget Formulation Detailed Workplan
Milestones
Status as of: 11/30/02

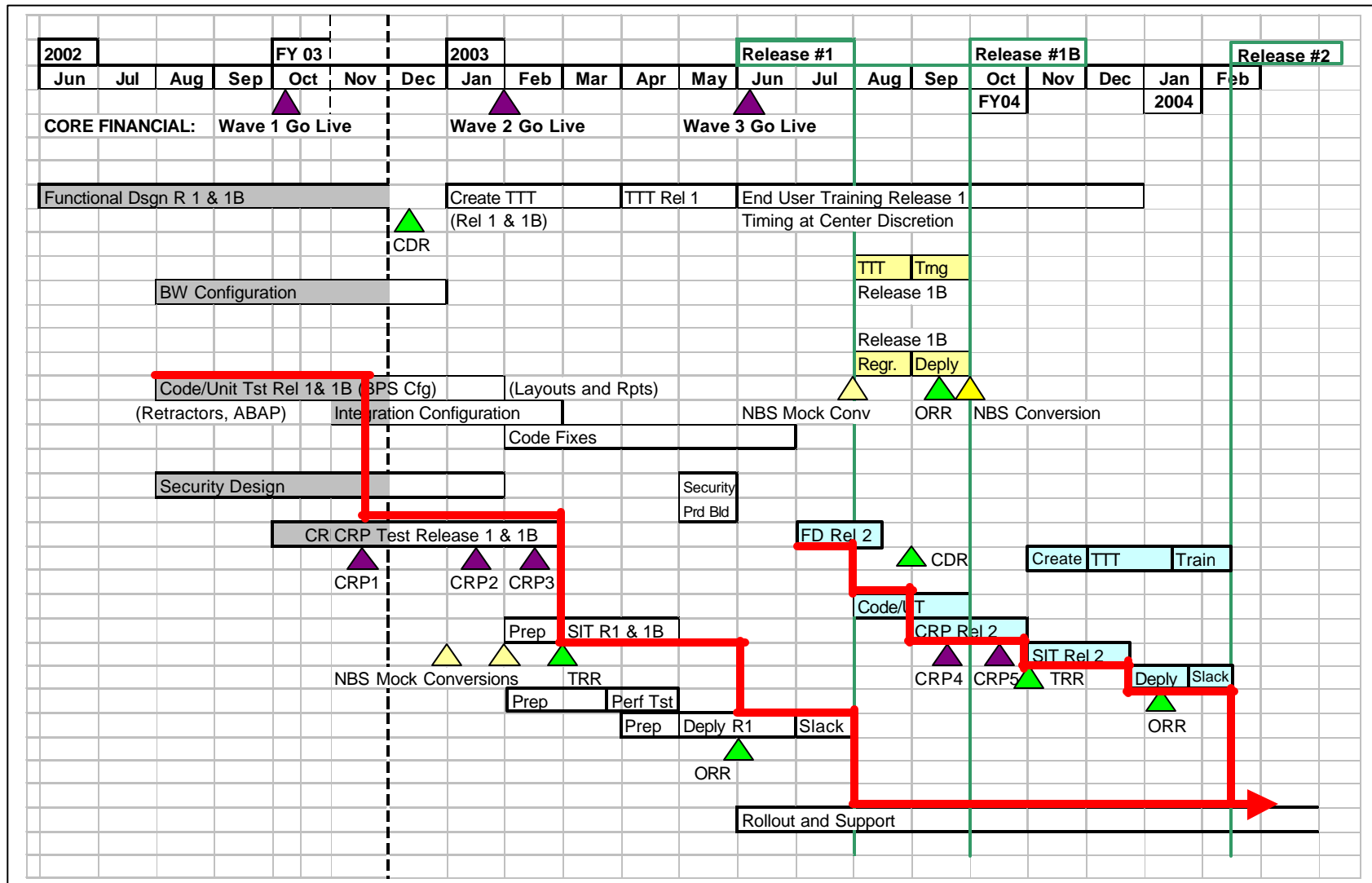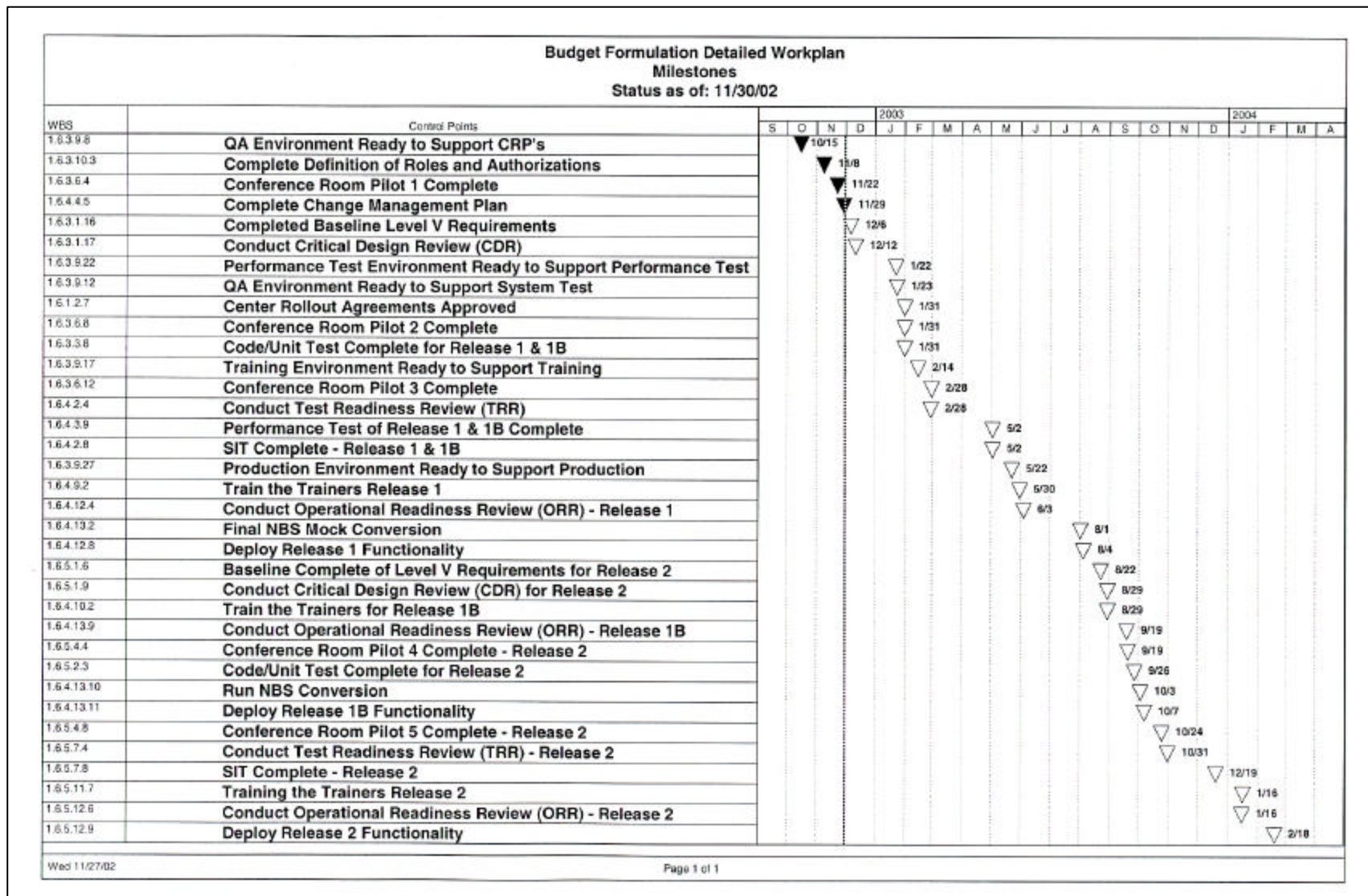| WBS	Control Points	Milestone Date
1.6.3.9.8	QA Environment Ready to Support CRP's	10/15
1.6.3.10.3	Complete Definition of Roles and Authorizations	11/8
1.6.3.6.4	Conference Room Pilot 1 Complete	11/22
1.6.4.4.5	Complete Change Management Plan	11/29
1.6.3.1.16	Completed Baseline Level V Requirements	12/6
1.6.3.1.17	Conduct Critical Design Review (CDR)	12/12
1.6.3.9.22	Performance Test Environment Ready to Support Performance Test	1/22
1.6.3.9.12	QA Environment Ready to Support System Test	1/23
1.6.1.2.7	Center Rollout Agreements Approved	1/31
1.6.3.6.8	Conference Room Pilot 2 Complete	1/31
1.6.3.3.8	Code/Unit Test Complete for Release 1 & 1B	1/31
1.6.3.9.17	Training Environment Ready to Support Training	2/14
1.6.3.6.12	Conference Room Pilot 3 Complete	2/28
1.6.4.2.4	Conduct Test Readiness Review (TRR)	2/28
1.6.4.3.9	Performance Test of Release 1 & 1B Complete	5/2
1.6.4.2.8	SIT Complete - Release 1 & 1B	5/2
1.6.3.9.27	Production Environment Ready to Support Production	5/22
1.6.4.9.2	Train the Trainers Release 1	5/30
1.6.4.12.4	Conduct Operational Readiness Review (ORR) - Release 1	6/3
1.6.4.13.2	Final NBS Mock Conversion	8/1
1.6.4.12.8	Deploy Release 1 Functionality	8/4
1.6.5.1.6	Baseline Complete of Level V Requirements for Release 2	8/22
1.6.5.1.9	Conduct Critical Design Review (CDR) for Release 2	8/29
1.6.4.10.2	Train the Trainers for Release 1B	8/29
1.6.4.13.9	Conduct Operational Readiness Review (ORR) - Release 1B	9/19
1.6.5.4.4	Conference Room Pilot 4 Complete - Release 2	9/19
1.6.5.2.3	Code/Unit Test Complete for Release 2	9/26
1.6.4.13.10	Run NBS Conversion	10/3
1.6.4.13.11	Deploy Release 1B Functionality	10/7
1.6.5.4.8	Conference Room Pilot 5 Complete - Release 2	10/24
1.6.5.7.4	Conduct Test Readiness Review (TRR) - Release 2	10/31
1.6.5.7.8	SIT Complete - Release 2	12/19
1.6.5.11.7	Training the Trainers Release 2	1/16
1.6.5.12.6	Conduct Operational Readiness Review (ORR) - Release 2	1/16
1.6.5.12.9	Deploy Release 2 Functionality	2/18

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3.3 IMPLEMENTATION TASKS AND SCHEDULE

Centers will lead the implementation activities at their Center. The BF Project Office has developed an implementation activities schedule (see attached) to guide the implementation at each Receiving Center. This schedule includes activities to be accomplished by the BF Project Office as milestones to establish timeframes for the accomplishment of supporting Receiving Center activities.

3.4 SCHEDULE MANAGEMENT

The WBS structure used is consistent with the WBS structure established in the BF Project Plan and utilized in the BF Project Schedule. Receiving Centers are not required to retain the suggested WBS structure and may augment the schedule as they see fit. However, activities included in the schedule provided should not be deleted. Receiving Centers are to review the schedule, add planned start and end dates for those Receiving Center activities that do not currently have planned accomplishment dates (being mindful that the dates provided must be supportive of the higher level milestones and activities), and submit the completed schedule to the BF Project Office for concurrence.

Each Receiving Center is responsible for managing to the approved implementation schedule. As part of monthly reporting to the Project Office, each Receiving Center will provide a 60-day look ahead of upcoming schedule activities, describe any impediments to achieving the schedule dates, and identify proposed schedule changes and potential impacts to BF Project milestones.

SECTION 4   ROLLOUT TEAMS AND RESPONSIBILITIES

4.1   BUDGET FORMULATION PROJECT TEAM

The Budget Formulation Project Team (including Project management, Process Team, extended team, and SMEs) will provide support to individual Centers throughout the Rollout process.

4.1.1   Responsibilities

- Develop detailed system designs.
- Perform technical design, configuration, and unit testing of SEM and BF Business Warehouse (BW) and interfaces to SAP/R3.
- Address risks/issues identified internally or by other NASA stakeholders.
- Plan and execute system integration testing.
- SAP System Investigation Request (SIR) fixes.
- Develop training materials.
- Conduct "Train the Trainer" training.
- Develop Change Management Plan and materials
- Develop Communication Plan and materials
- Develop Transition Plan and materials
- Develop desktop requirements
- Provide Agency-wide coordination of BF implementation.
- Work with the IPO to enable Center access to the system for testing, demonstrations, and production.

4.2   CENTER IMPLEMENTATION PROJECT TEAM

The Center Implementation Project Team resources will provide detailed functional and technical knowledge of the Center-specific activities and systems.

4.2.1   Responsibilities

- Communicate and coordinate with the Budget Formulation Project Office.
- Manage Receiving Center implementation activities.
- Participate in requirements design workshops and reviews.
- Support development of testing, training materials.
- Deliver end-user training.

- Ensure that desktops are appropriately configured.
- Participate in system integration testing planned by the Project Office.
- Identify system users, roles, and data access privileges.
- Establish BF Help Desk (Tier 1 functional support).
- Establish Center Application Administrator to manage Center configuration data and security tables.
- Confirm Center master data.
- Manage risks and issues associated with Center implementation

4.2.2 Resource Requirements

The exact level of effort associated with BF implementation and rollout will differ for each Receiving Center depending upon the availability and experience of NASA staff, utilization of contractor support, SME support provided to the BF Project, and timing of Center training for each Release. Resources supporting BF implementation and rollout can expect a one-half to full-time requirement and resources providing continuing post rollout support, after system stabilization, can expect less than one quarter time effort. The BF Project Team projects Receiving Center staffing requirements and timeframes for participation in Project and Center level implementation and rollout activities to be, at a minimum:

BF Implementation and Rollout Support (12/1/02 thru 3/31/04)

- Budget Formulation Project Manager
- Change Management Lead
- IFM Implementation Support Team
- BF Process Team representatives
- BF Functional Experts (2) to support BF training development, Center adjustments to training materials, and end user training
- SMEs- to support system design and testing
- IT organization

Continuing Deployment Support (Beginning 1/6/03)

- IT Point of Contact (part time)
- IT Infrastructure Support (part time)
- BF Application Administrator (part time)
- BF functional super-user/Help Desk support (part time)

4.3   INTEGRATION PROJECT OFFICE

The Integration Project Office will provide technical support for the BF computing environment and CF Module integration.

4.3.1   Responsibilities

- Establish a viable technical infrastructure
- Overall technical support.
- Basis support of the SEM/BW environments.
- Monitoring of system and database performance.